

EXHIBIT S

1 UNITED STATES DISTRICT COURT
2 CENTRAL DISTRICT OF CALIFORNIA
3
4 THE WIMBLEDON FUND, SPC (CLASS)
5 TT),)
6 PLAINTIFFS,)
7 VS.) CASE NO.
8 GRAYBOX LLC; INTEGRATED) 2:15-CV-6633-CAS-ASJWx
9 ADMINISTRATION; EUGENE SCHER, AS)
10 TRUSTEE OF BERGSTEIN TRUST; AND)
11 CASCADE TECHNOLOGIES CORP,)
12 DEFENDANTS.)
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10:58:23 1 Mr. Bergstein and Mr. Bergstein was the boss, a very
2 shrewd -- and I'm trying to find the right word to
3 describe him. Ruthless boss. And then to -- to the
4 point that in a couple of our meetings that Kia and
10:58:53 5 Mr. Bergstein were present, whatever Kia was to speak,
6 he would interrupt him. He would -- he did not mind to
7 degrade him, dem- -- demising to -- anyhow, the
8 relationship was not a eye to eye. Let's put it this
9 way.

10:59:25 10 Q And did you think Mr. Bergstein was bullying
11 Mr. Jam?

12 A If Mr. Bergstein was not bullying him -- but
13 he -- he had a total control over what Mr. Jam was
14 doing, absolutely. No doubt in my mind.

10:59:42 15 Q Okay. So between --

16 A He had -- he had no control. Jam had no
17 control over what Bergstein was doing. Although
18 everything was under his name, under Kia's name but Kia
19 had no control over -- none -- none whatsoever. Not --
10:59:58 20 not have a say in what -- what to do.

21 Q Why did Mr. Jam have no control, as you've
22 described it?

23 MR. MIGLER: Calls for speculation.

24 BY MR. LATZER:

11:00:09 25 Q You can answer.

11:00:09 1 A That was my understanding, period. That he had
2 no control because all the orders were coming from --
3 the orders that related to the matters that I was
4 involved with was coming from David.

11:00:28 5 Q Okay. So you said before that you had met
6 Mr. Bergstein four times?

7 A That's correct.

8 Q Are you referring to four in-person meetings?

9 A The -- this four times is two business meeting.
11:00:44 10 One meeting was meeting me and Jam and David at their
11 breakfast and the last time that I met him was at Kia's
12 wedding.

13 Q When was that?

14 A November of 2014, if I'm not mistaken.

11:01:14 15 Q Okay. So Mr. Jam invited Mr. Bergstein to his
16 wedding?

17 A That is correct.

18 Q Okay. And, yeah, if we could focus on the 2011
19 to 2013 time per- -- period.

11:01:30 20 A Uh-huh.

21 Q Did you believe that Mr. Jam was not acting
22 voluntarily?

23 A In what sense when you say "voluntarily"?

24 Q In his interactions with Mr. Bergstein, was he
11:01:43 25 not acting voluntarily?

11:01:46 1 A Of course, Mr. Jam is a grown-up man. And I
2 don't believe that a grown-up man does anything
3 unvoluntarily.

4 Q Okay.

11:01:56 5 A They -- they act on their own. But I have no
6 doubt that on business decision-making, especially
7 relating to matters that involved David, he had no say,
8 none -- none whatsoever.

9 Q And you said before that Mr. Jam didn't realize
11:02:19 10 that Mr. Bergstein was -- I think you described him as
11 an unsavory character.

12 Do you recall that testimony?

13 A That's correct.

14 Q Okay. Did you realize he was an unsavory
11:02:28 15 character?

16 A Not at the beginning. As these stories start
17 to evolve, then we realized that how he is.

18 Q You realized that?

19 A That's correct.

11:02:39 20 Q Okay. So when was that?

21 A Maybe in the last three, four years --

22 Q Okay.

23 A -- that all these issues came up. And then we
24 realized that he was not a straightforward person at --
11:02:58 25 at least in terms of business dealings.

11:23:31 1 went through that credit card and then it never been
2 paid. They paid a portion of that. And then at the
3 end, there was \$700,000 of that was left. Then I got
4 into a negotiation with American Express. We settled it
11:23:48 5 for 300-some thousand dollars. And the last payment of
6 that was done about -- about October of 2018.

7 Q With respect to the conversation that you had
8 with Mr. Jam after things went south, as you described
9 before, that conversation concerned your perception that
11:24:16 10 Mr. Bergstein was controlling Mr. Jam?

11 A I've always had that -- again, at that first
12 meeting, I -- I got that sense that in this
13 relationship, he's the boss and Kia has no -- no say.

14 Q But the first time that you raised that with
11:24:33 15 Ms. -- with Mr. Jam was when things went south, was your
16 testimony before?

17 A I -- I believe that's -- that's when we started
18 to discuss that. I was just warning him that, "Hey, do
19 you realize that these charges are beyond your means and
11:24:50 20 you are not going to be able to pay that?"

21 He said, "No. These are not mine. These are
22 David's. He's going to pay it, so don't worry."

23 Q Okay. And so approximately when was that?

24 A I think it should have been '14, '15, or
11:25:09 25 even -- it might be even '13 -- '13, '14, '15. I -- I

14:20:57 1 a few more for IA to be entered."

2 And there is -- the first reference is a 40K
3 wire to the Bergstein trust.

4 Do you see that?

14:21:07 5 A Uh-huh.

6 Q Do you have an understanding of what the
7 Bergstein trust is?

8 A Apparently, David Bergstein had a trust.

9 Q Okay. Do you know anything about that trust?

14:21:17 10 A No.

11 Q You don't know who the beneficiaries are?

12 A No. No.

13 Q Okay.

14 A I didn't even know Bergstein had two kids until
14:21:27 15 lately. So I didn't know much about David Bergstein.

16 Q Okay. Do you have an understanding of why
17 Integrated Administration was transferring \$40,000 to
18 the Bergstein trust?

19 A Again, these are all the monies that were
14:21:45 20 coming in and going out. It was under his control. He
21 knew what they were, and he would direct to Kia as to
22 what to do with those funds. Kia had no control.
23 None -- none whatsoever.

24 Q Okay. This e-mail is --

14:22:05 25 A Is from Kia.

14:22:06 1 Q Is from -- let me just finish.

2 This e-mail is from Kia and Mr. Bergstein is
3 not on it?

4 A Of course not.

14:22:11 5 Q Okay. So is it your testimony that Mr. Jam was
6 not acting voluntarily in sending this e-mail?

7 A Oh, I did not say that. He did not act
8 voluntarily. I'm -- I'm saying Kia was conveying David
9 Bergstein instruction to us. In fact, he did -- he's
14:22:31 10 saying that, "Ray Shahab, for tomorrow's report, please
11 include these additional transactions that we've done."

12 Apparently, they had transferred \$40,000 wire
13 to Bergstein trust, another 30 to Graybox, which we did
14 not know. So he's informing us to incorporate that in
14:22:50 15 our report for the next day.

16 Q Okay. Is it your testimony that Mr. Jam was
17 incapable of refusing an instruction from Mr. Bergstein?

18 MR. MIGLER: It misstates testimony.

19 THE WITNESS: Huh?

14:23:01 20 MR. MIGLER: I was -- I was objecting that that
21 misstate -- misstated your testimony.

22 THE WITNESS: That is correct. I -- I never
23 said that. But I believe that Kia was under absolute,
24 absolute control of David when it came to the money and
14:23:16 25 what to do with those funds. He had no control.

14:23:19 1 None -- none or whatsoever. That's my understanding.

2 Again, I am sitting in the Orange County, and
3 all these communications are going back and forth with
4 phone calls, with e-mails. Okay. So that's the

14:23:34 5 understanding that I had. Whether it's right or wrong,
6 it is my understanding.

7 BY MR. LATZER:

8 Q But you testified earlier that Mr. Jam is a
9 grown man; right?

14:23:43 10 A That is correct.

11 Q And he was acting voluntarily here?

12 A I said -- you asked me a question, specifically
13 question about whether someone can do something
14 voluntarily. I said, "No. Grown-up man can do that or

14:23:56 15 can be forced to do volun-" -- "voluntarily."

16 Q And is it your understanding that at the time
17 that these transactions are happening that Mr. Jam was
18 benefiting financially?

19 A Mr. Jam never benefited. Not ever. Not even a
14:24:16 20 penny. I can say it right here, you can put me on the
21 stand in the court. I would say the very same thing.

22 Had it done, he would not have been in this financial
23 disaster situation that he cannot even afford to pay his
24 mortgage payment, and I helped him to do that. Ever.

14:24:36 25 He never. If he took a million-dollar or \$5 million